



BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-46-2018)

Foreign-Trade Zone (FTZ) 41 – Milwaukee, Wisconsin
Notification of Proposed Production Activity
CNH Industrial America LLC
(Tractors, Component Parts, and Axle Subassemblies)
Sturtevant, Wisconsin

CNH Industrial America LLC (CNH Industrial) submitted a notification of proposed production activity to the FTZ Board for its facility in Sturtevant, Wisconsin. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on July 11, 2018.

CNH Industrial already has authority to produce tractors and tractor/combine components, as well as 4-wheel drive axle subassemblies within Subzone 41I. The current request would add finished products and foreign status materials/components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials/components and specific finished products described in the submitted notification (as set forth below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt CNH Industrial from customs duty payments on the foreign-status materials/components used in export production. On its domestic sales, for the foreign-status materials/components noted below and in the existing scope of authority, CNH Industrial would be able to choose the duty rates during customs entry procedures that apply to: rubber hoses reinforced with metal

fittings; linear acting cylinders; housing pump drives; solenoid valves; regulating valves; spool assemblies; valve assemblies; carrier bearing housings; power take-offs; final drives; differentials; clutch assemblies; rotor gear, transmission or differential cases; covers for transmission, axle, differential or clutch cases; rear track, final drive, hydraulic pump, front track, speed or power take-off housings; and, certain sub-assemblies for tractors suitable for agricultural use (specifically: brakes; carrier assemblies; brake adjusters; shafts; gearbox assemblies; cases; covers; housings; test transmission wheels; flanges; frames; axle shafts; suspension saddles; radiators; clutches; gears; plates; supports; hydraulic returns; and, brackets) (duty rate ranges from duty-free to 5.0%). CNH Industrial would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include: reclaimed rubber pads/flaps/seals; pneumatic rubber tires for use on agricultural vehicles and machines; retreaded/used rubber tires; corrugated floor pads and protectors; cardboard box/packaging; roller chain; copper alloy tube/pipe fittings; spray guns; lead-acid storage batteries; color video cameras; GPS navigational systems; antennas; electronic control units; discharge lamps; speed sensors, radio antenna cable; and, gear boxes for tractors for agricultural use (duty rate ranges from duty-free to 5.3%). The request indicates that pneumatic rubber tires is subject to antidumping/countervailing duty (AD/CVD) orders if imported from certain countries. The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if

they entered U.S. customs territory, be admitted to the zone in privileged foreign status (19 CFR 146.41). In addition, color video cameras, GPS navigational systems, antennas, and electronic control units may be subject to special duties under Section 301 of the Trade Act of 1974, if imported from China. The determination of Section 301 duties requires that such merchandise be admitted to the zone in privileged foreign status.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Juanita Chen at juanita.chen@trade.gov or 202-482-1378.

Dated: July 13, 2018

Elizabeth Whiteman
Acting Executive Secretary

[FR Doc. 2018-15329 Filed: 7/17/2018 8:45 am; Publication Date: 7/18/2018]